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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C.

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of )

Billed Party Preference )  
for 0+ InterLATA Calls )

CC Docket No. 92-77  
Phase I

COMMENTS OF  
ROCK HILL TELEPHONE COMPANY

Rock Hill Telephone Company ("Rock Hill") hereby submits its comments on the issues raised in paragraph 64 of the Report and Order and Request for Supplemental Comment in the captioned proceeding, FCC 92-465, released November 6, 1992 ("Order"). Rock Hill is a local exchange carrier ("LEC") providing operator services to a number of interLATA resellers in South Carolina. Rock Hill has been a provider of operator services since its founding in the late 1800's. The issue of compensation methods for operator service providers ("OSPs") who continue to receive 0+ interLATA dialed calls for which the OSP has no means to validate and/or bill (hereinafter referred to as "proprietary card" calls) is important and should be addressed.

In the Order, para. 57, the Commission directs AT&T to educate its customers on 0+ dialing arrangements. While this is an important step in resolving some of the associated problems of 0+ interLATA proprietary card dialing, Rock Hill expects to continue to receive calls of this nature. The Commission seeks comment on methods for compensating OSPs who receive such calls in the Order, para. 64.

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Rock Hill has experienced, and continues to experience, added costs which can be attributed to the attempted use of proprietary cards. Because there is currently no framework in place for Rock Hill to be able to transfer these calls to the card issuer, the caller is required to reoriginate the call. In addition to causing customer frustration and confusion, this results in an expense to Rock Hill for which it receives no compensation.

In order for Rock Hill to be in a position to offer a price competitive operator services product in today's market, compensation for transferring 0+ interLATA dialed proprietary card calls to the interexchange carrier ("IXC") for call completion is needed. There is no doubt that costs incurred for receiving proprietary card calls must be recovered. Absent compensation for 0+ transfer service, these costs must ultimately be passed along to the resellers for whom Rock Hill is providing operator services. This introduces, in Rock Hill's opinion, costs that will reduce its ability to compete as a provider of operator services. It is appropriate that compensation should come from the IXC who issued the card in question (and to whom the call is transferred).

Rock Hill believes that compensation for both the operator work time and the network expense in transferring a proprietary card call is appropriate and necessary. Network expense is realized because a path is required through Rock Hill's operator system for the duration of the transferred call. Rock Hill believes this expense is as equally compensable as operator work time.

In situations where an OSP does not have the technical ability to transfer calls directly to the proprietary card issuer, the OSP is incurring an expense by explaining alternative dialing arrangements and, therefore, should also be compensated for time spent in handling the call. The OSP should have the option to suggest alternate billing arrangements to the caller. However, costs associated with this "sales pitch" should not be incorporated in the rate compiled for the transfer service.<sup>1</sup>

Rock Hill believes that OSPs should have the flexibility to offer transfer service either by contract or tariff. Some OSPs may find that an arrangement could be achieved in a more timely manner by contract, while other OSPs may want to avoid the contractual arrangement process and choose to have the service tariffed.<sup>2</sup> Furthermore, since the relationship is between two carriers, the OSP should not legally be barred from entering into an agreement with the IXC for such an offering, rather than be required to file a tariff.<sup>3</sup> In order to reduce the burdens on the Commission and

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<sup>1</sup>Obviously, the time spent on selling customers an alternative billing arrangement will vary, but an OSP could perhaps perform a time study to determine an average amount to be excluded when developing an appropriate rate. Rock Hill recognizes that it is possible that the Commission may want an OSP to commit to an IXC in advance as to whether an OSP will be providing immediate transfer or discussing alternative billing arrangements before transfer.

<sup>2</sup>Rock Hill may be one of a few LECs that will require this service and is a member of the NECA pool. Therefore, it would be burdensome and time-consuming to require NECA to file a tariff and develop compensation arrangements for a service that will be used by so few of its members.

<sup>3</sup>A service offering by one carrier to another carrier by means of a contract, rather than by a tariff, was specifically permitted in *Bell Telephone Co. of Pennsylvania v. FCC*, 503 F.2d 1250 (3d Cir. 1974), cert. denied, 422 U.S. 1026 (1975).

the carriers involved, model agreements and tariffs could be developed by the industry participants under the auspices of the Commission.

Whether the compensation mechanism is by tariff or contract, Rock Hill recognizes the fact that a customer of a call transfer service must be able to confirm an OSP's demand volumes. Rock Hill proposes providing the date, the NPA-NXX of the calling number, and, when available, the calling card number for purposes of bill verification.<sup>4</sup>

In summary, Rock Hill recognizes a definite need for a call transfer service offering and compensation for costs incurred in transferring these calls. Should the Commission choose not to mandate that IXCs accept a call transfer service, then Rock Hill would advocate that the Commission strongly urge IXCs to consider in good faith a request from an OSP to subscribe to such an offering.

Respectfully submitted,

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<sup>4</sup>There may be instances upon which the caller requests to be transferred to another IXC prior to providing a calling card number.

CERTIFICATE OF SERVICE

I, Shannon G. Eubanks, hereby certify that a copy of the foregoing Comments of Rock Hill Telephone Company was mailed, postage prepaid, first-class United States mail, this fourteenth day of December, 1992, to the parties on the attached list.

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